Sirius RESOURCES

Building Australia's pre-eminent nickel company

RIU Explorers conference, Fremantle

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The information in this report that relates to Exploration Results is based on information compiled by Jeff Foster and Andy Thompson who are employees of Sirius Resources and fairly represents this information. Mr Foster and Mr Thompson are members of the Australasian Institute of Mining and Metallurgy. Mr Foster and Mr Thompson have sufficient experience of relevance to the styles of mineralisation and the types of deposits under consideration, and to the activities undertaken, to qualify as Competent Persons as defined in the 2012 Edition of the Joint Ore Reserves Committee (JORC) Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC Code). Mr Foster and Mr Thompson consent to the inclusion in this report of the matters based on information in the form and context in which it appears.

Exploration results are based on standard industry practices, including sampling, assay methods, and appropriate quality assurance quality control (QAQC) measures. Reverse circulation (RC), aircore (AC) and rotary air blast (RAB) drilling samples are collected as composite samples of 4 or 2 metres and as 1 metre splits (stated in results). Mineralised intersections derived from composite samples are subsequently re-split to 1 metre samples to better define grade distribution. Core samples are taken as half NQ core or quarter HQ core and sampled to geological boundaries where appropriate. The quality of RC drilling samples is optimised by the use of riffle and/or cone splitters, dust collectors, logging of various criteria designed to record sample size, recovery and contamination, and use of field duplicates to measure sample representivity. For soil samples, PGM and gold assays are based on an aqua regia digest with Inductively Coupled Plasma (ICP) finish and base metal assays may be based on aqua regia or four acid digest with inductively coupled plasma optical emission spectrometry (ICPOES) or atomic absorption spectrometry (AAS) finish. In the case of reconnaissance RAB, AC, RC or rock chip samples, PGM and gold assays are based on lead or nickel sulphide collection fire assay digests with an ICP finish, base metal assays are based on a four acid digest and inductively coupled plasma optical emission spectrometry (ICPOES) and atomic absorption spectrometry (AAS) finish, and where appropriate, oxide metal elements such as Fe, Ti and Cr are based on a lithium borate fusion digest and X-ray fluorescence (XRF) finish. In the case of strongly mineralised samples, base metal assays are based on a special high precision four acid digest (a four acid digest using a larger volume of material) and an AAS finish using a dedicated calibration considered more accurate for higher concentrations. Sample preparation and analysis is undertaken at Minanalytical, Genalysis Intertek and Ultratrace laboratories in Perth, Western Australia. The quality of analytical results is monitored by the use of internal laboratory procedures and standards together with certified standards, duplicates and blanks and statistical analysis where appropriate to ensure that results are representative and within acceptable ranges of accuracy and precision.

Where quoted, nickel-copper intersections are based on a minimum threshold grade of 0.5% Ni and/or Cu, and gold intersections are based on a minimum gold threshold grade of 0.1g/t Au unless otherwise stated. Intersections are length and density weighted where appropriate as per standard industry practice. All sample and drill hole co-ordinates are based on the GDA/MGA grid and datum unless otherwise stated. Exploration results obtained by other companies and quoted by Sirius have not necessarily been obtained using the same methods or subjected to the same QAQC protocols. These results may not have been independently verified because original samples and/or data may no longer be available.

The information in this report that relates to Mineral Resource Estimation is based on information compiled by Mr Mark Drabble, Principal Consultant Geologist – Optiro Pty Ltd and Mr Andrew Thompson, a full time employee and General Manager Resources and Geology of Sirius Resources, and fairly represents this information. Mr Drabble and Mr Thompson are members of the Australasian Institute of Mining and Metallurgy and have sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to qualify as a Competent Person as defined in the 2012 Edition of the JORC Code. Mr Drabble and Mr Thompson consent to the inclusion in this report of the matters based on their information in the form and context in which they appear. Information in this presentation that relates to the Mineral Resource estimate for the Nova and Bollinger deposits is fully described in the ASX release of 15th July 2013.

The Scoping Study referred to in this presentation is based on low-level technical and economic assessments, and is insufficient to support estimation of Ore Reserves or to provide assurance of an economic development case at this stage, or to provide certainty that the conclusions of the Scoping Study will be realised. There is a low level of geological confidence associated with Inferred Mineral Resources and there is no certainty that further exploration work will result in the conversion of Inferred Mineral Resources to Indicated Mineral Resources or that the production target itself will be realised. Sirius Resources advises the Scoping Study results and production targets reflected in this presentation are preliminary in nature as conclusions are partly drawn from Inferred Resources, which comprise less than 9% of the total resource tonnes and less than 5% of the nickel metal in the mining inventory. The Scoping Study outputs contained in this presentation relate to 100% of the project. Unless otherwise stated all cashflows are in Australian dollars, are undiscounted and are not subject to inflation/escalation factors and all years are calendar years. Sirius Resources has concluded it has a reasonable basis for providing the forward looking statements included in this presentation.

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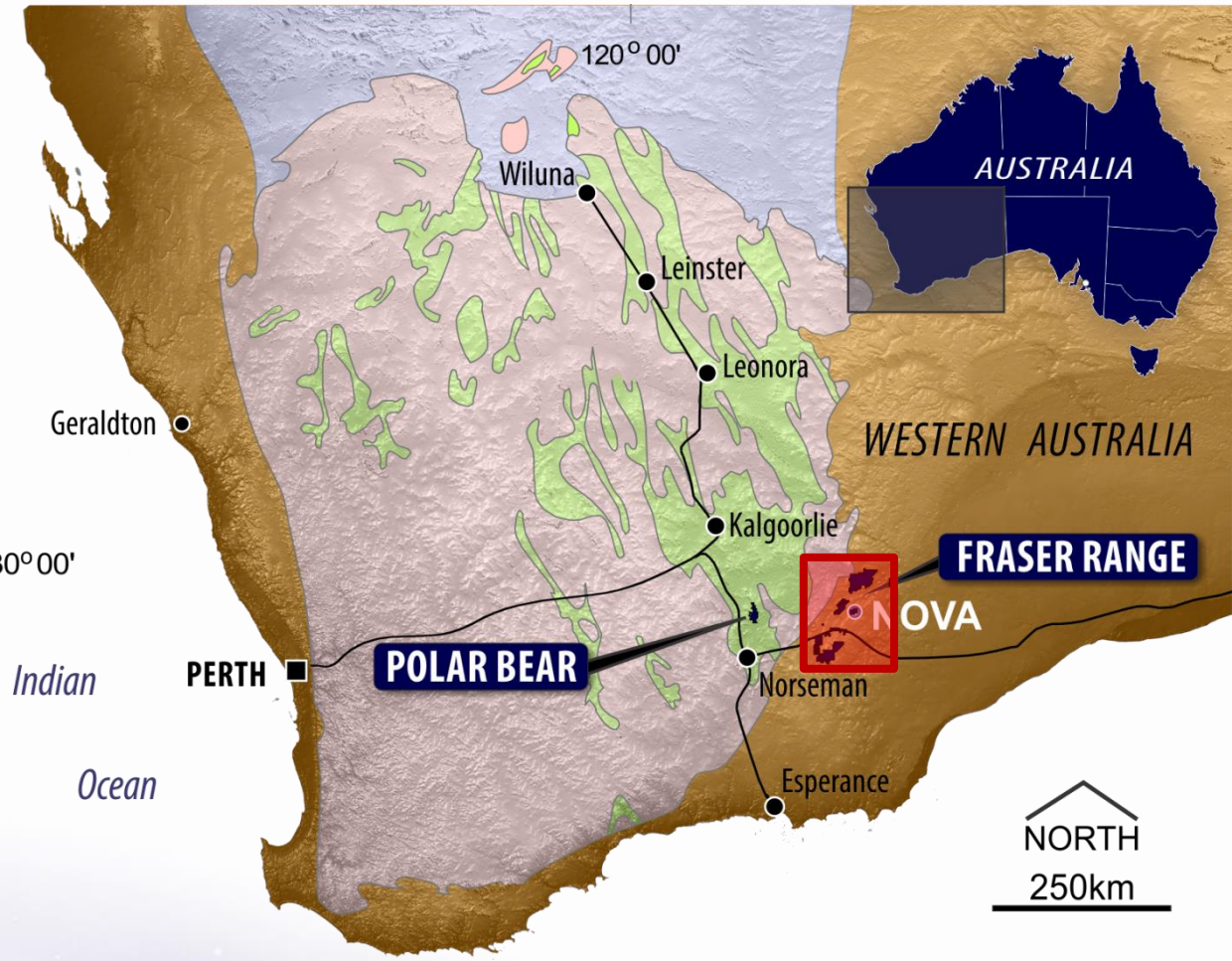
Nova-Bollinger – A globally significant project

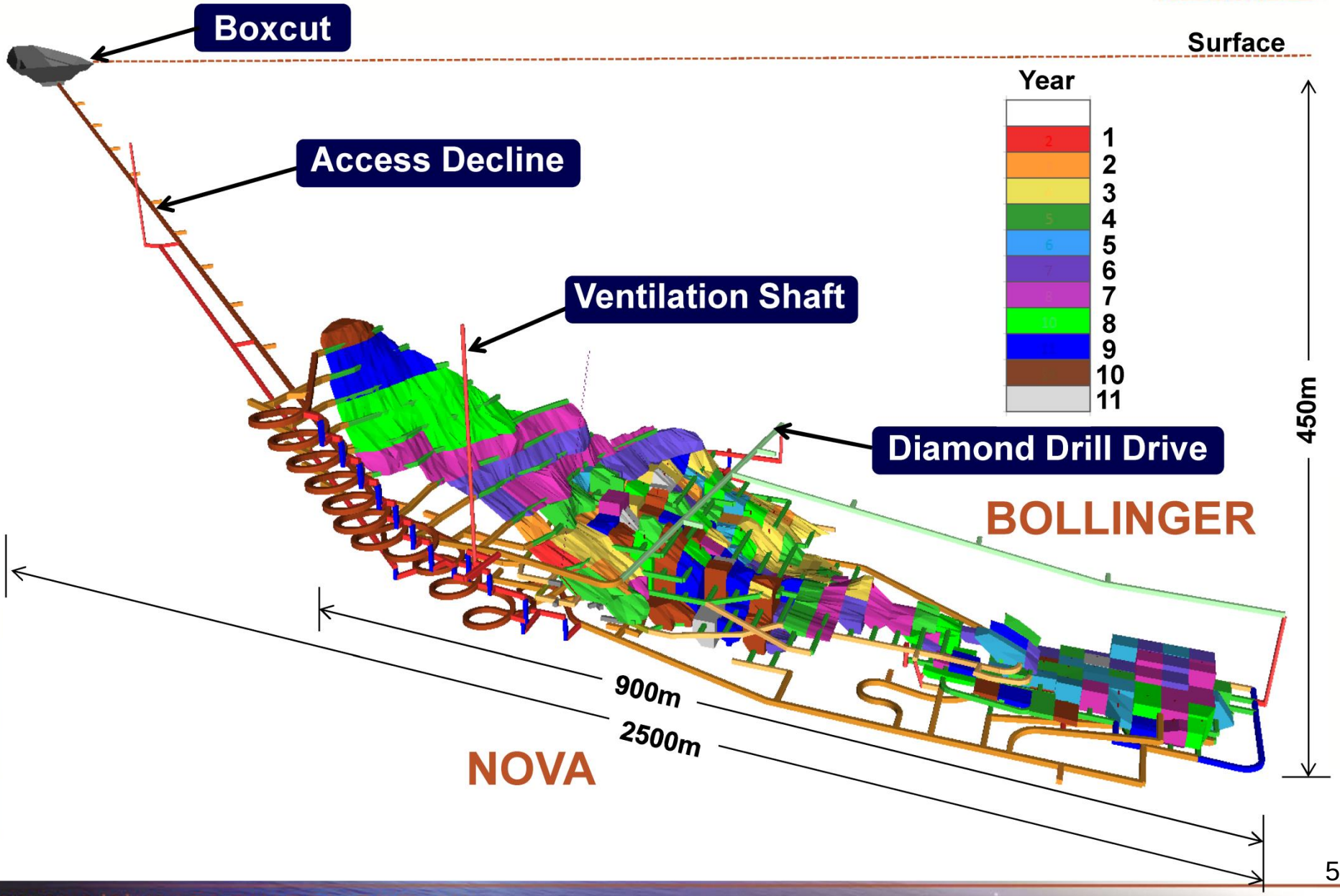
- Nova-Bollinger Mineral Resource - 14.6mt @ 2.2% Ni, 0.9% Cu and 0.08% Co, containing 325,000t Ni, 134,000t Cu, 11,000t Co
- Scoping study indicates Nova-Bollinger is a financially robust and technically low risk project
- Initial 10 year mine life
- Globally significant producer (28,000tpa Ni, 11,000tpa Cu, 940tpa Co) – between 10th and 14th largest in world
- Cash costs in the lowest quartile of global nickel producers
- DFS underway - on track for completion by mid-2014
- Significant interest from finance providers and offtake customers – various discussions advancing

Location and advantages

- In Western Australia – a mining friendly, low political risk jurisdiction
- Relatively close to sealed highway and accessible to Kalgoorlie (north) and Esperance port (south)
- Relatively short commuter flight from Perth & drive in/out from Norseman & Esperance



Conceptual mine design



The Grand Plan

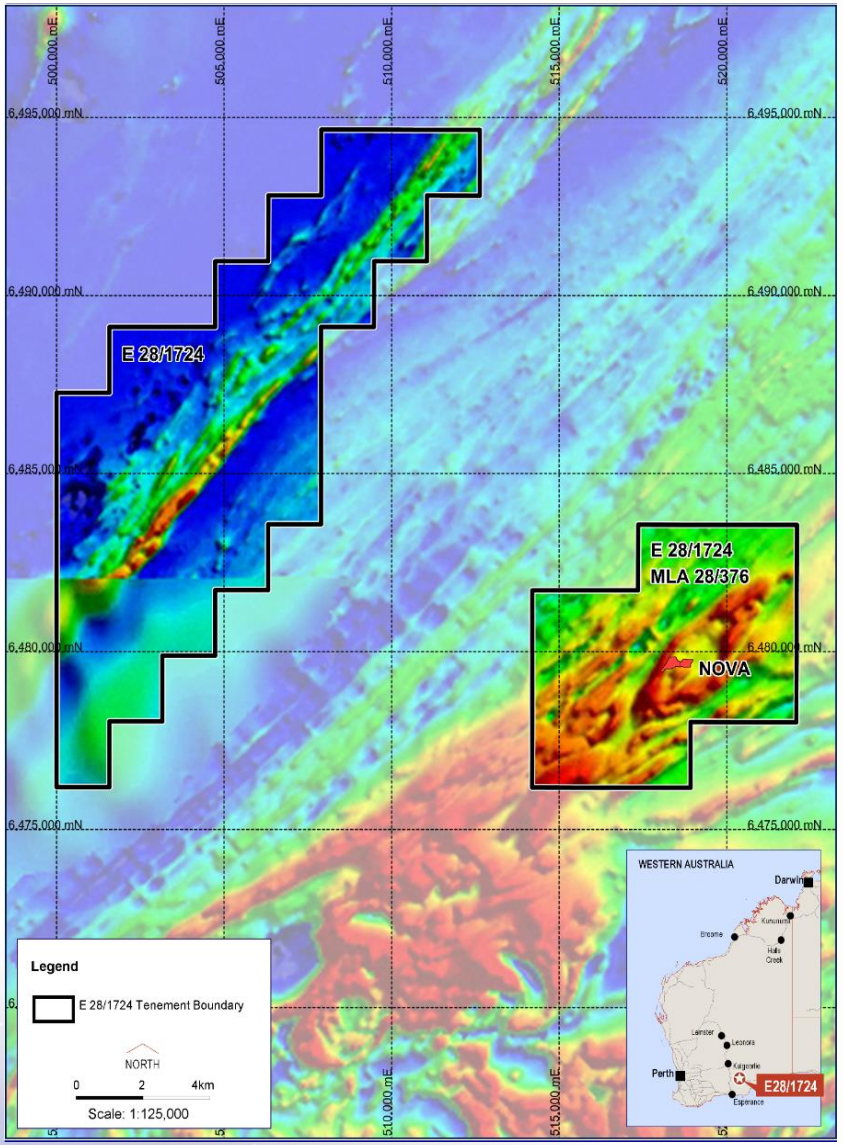
Milestone	Date
Discovery	July 2012
Resource	May 2013
Scoping Study	June 2013
Ongoing Funding ($100m cash)	November 2013
Ownership (taking to 100%)	February 2014
Definitive Feasibility Study	Mid-2014
Mining Lease	
Project financing & Offtake agreements	
Development	
Next discovery…..	

The Creasy deal - transaction Overview

- Sirius to acquire Mark Creasy's 30% interest in E28/1724 and MLA 28/376 which hosts Nova-Bollinger

- Acquisition results in Sirius owning 100% of E28/1724 and MLA28/376, including:
  - 100% of Nova-Bollinger resource;
  - 100% of all future resource extensions and discoveries made within these areas; and
  - 100% ownership of future plant & processing infrastructure – giving Sirius a unique strategic advantage

- Consideration of:
  - $28 million cash; and
  - 70.56 million fully paid Sirius shares (subject to 12 month escrow)
  - 0.5% NSR on that part of E 28/1724 not forming part of MLA 28/376 (no royalty payable on MLA 28/376 containing Nova



Pro-forma Capital Structure

ASX Code : SIR	Existing	Pro-forma[1]
Shares on issue	262.0 m	332.5 m
Share options on issue *(Avg ex price ~A$1.38)*	48.06 m	48.06 m
Performance shares	2.2 m	2.2 m
Net cash (31 December 2013, no debt)	A$104.4 m	A$76.4 m
Market cap *(at $2.27, undiluted)*	A$594.6 m	A$754.8 m
Market cap *(at $2.27, fully diluted)*	A$671.1 m	A$831.3 m
Enterprise value *(at $2.27, fully diluted)*	**A$547.3 m**	**A$735.5 m**
Interest in E 28/1724 & MLA 28/376	70%	100%

A$3.4 million average daily value traded

		Existing	Pro-forma[1]
Top twenty holders		49%	60%
Substantial shareholders	Mark Creasy	17.4%	34.9%
	Commonwealth Bank	7.2%	5.7%

1. ***Following shareholder approval at a general meeting anticipated to be held in May 2014***
2. ***Refer to ASX release 15th July 2013***
3. ***At todays share price of $2.45 the undiluted market capitalisation is $642m and the pro-forma undiluted market capitalisation is $815m***

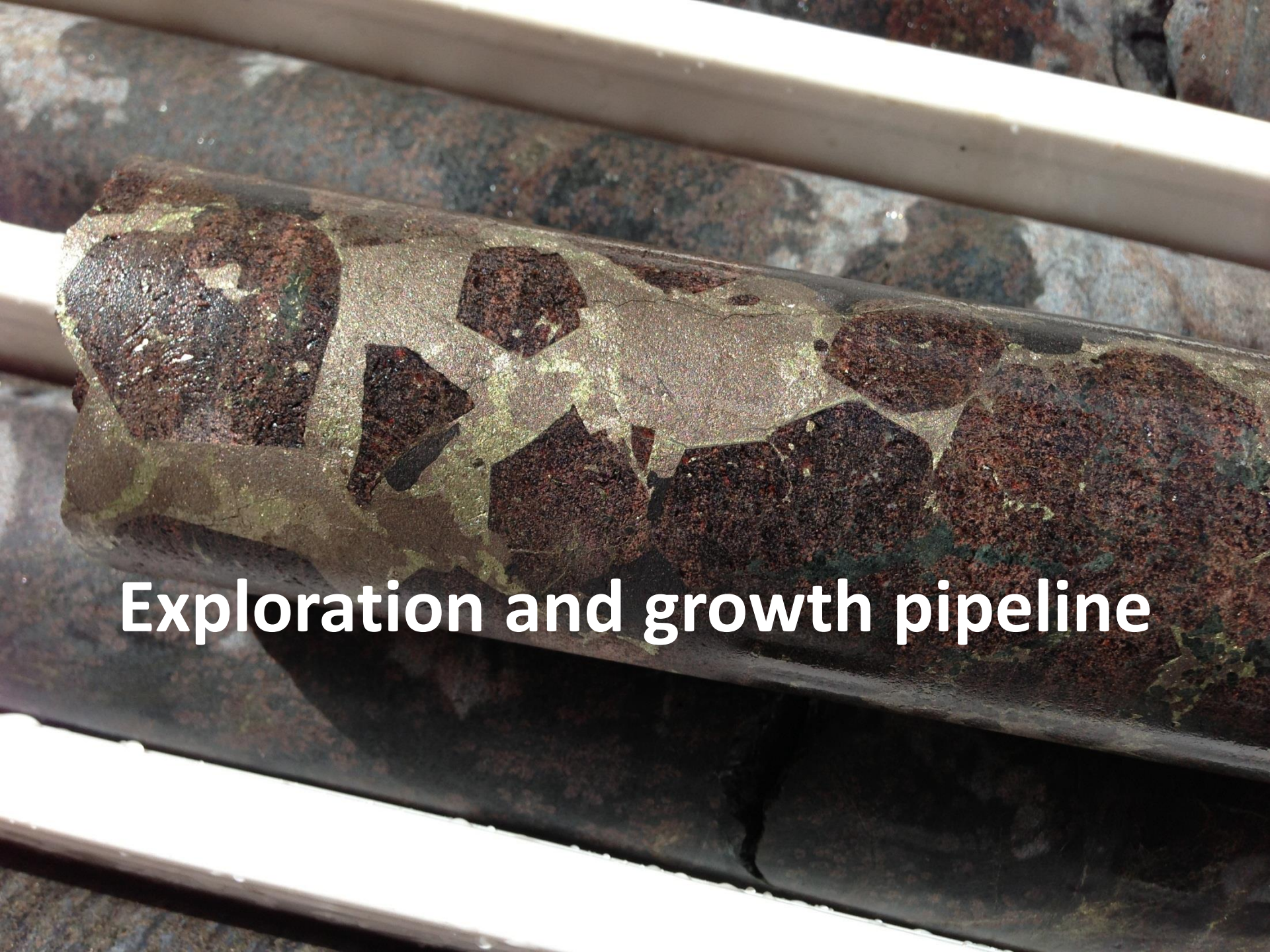
Key Benefits For Sirius

- 100% ownership of Nova-Bollinger
- 100% ownership of E 28/1724 and MLA 28/376 including any future discoveries within these licence areas
- 100% of any future resource extensions within the 47km^2 MLA and the balance of E28/1724
- 100% ownership and total control of future processing plant & infrastructure
- Delivers a unique strategic advantage in an emerging nickel belt
- Removes the risk of potential time delays and cost over-runs due to JV partner
- Cost savings from not operating a production JV
- Streamlines project finance process; and
- Strengthens Sirius' position in negotiations with:
  - Finance providers; and
  - Offtake providers
- Fully aligns Creasy's interests with all other Sirius shareholders – numerous benefits

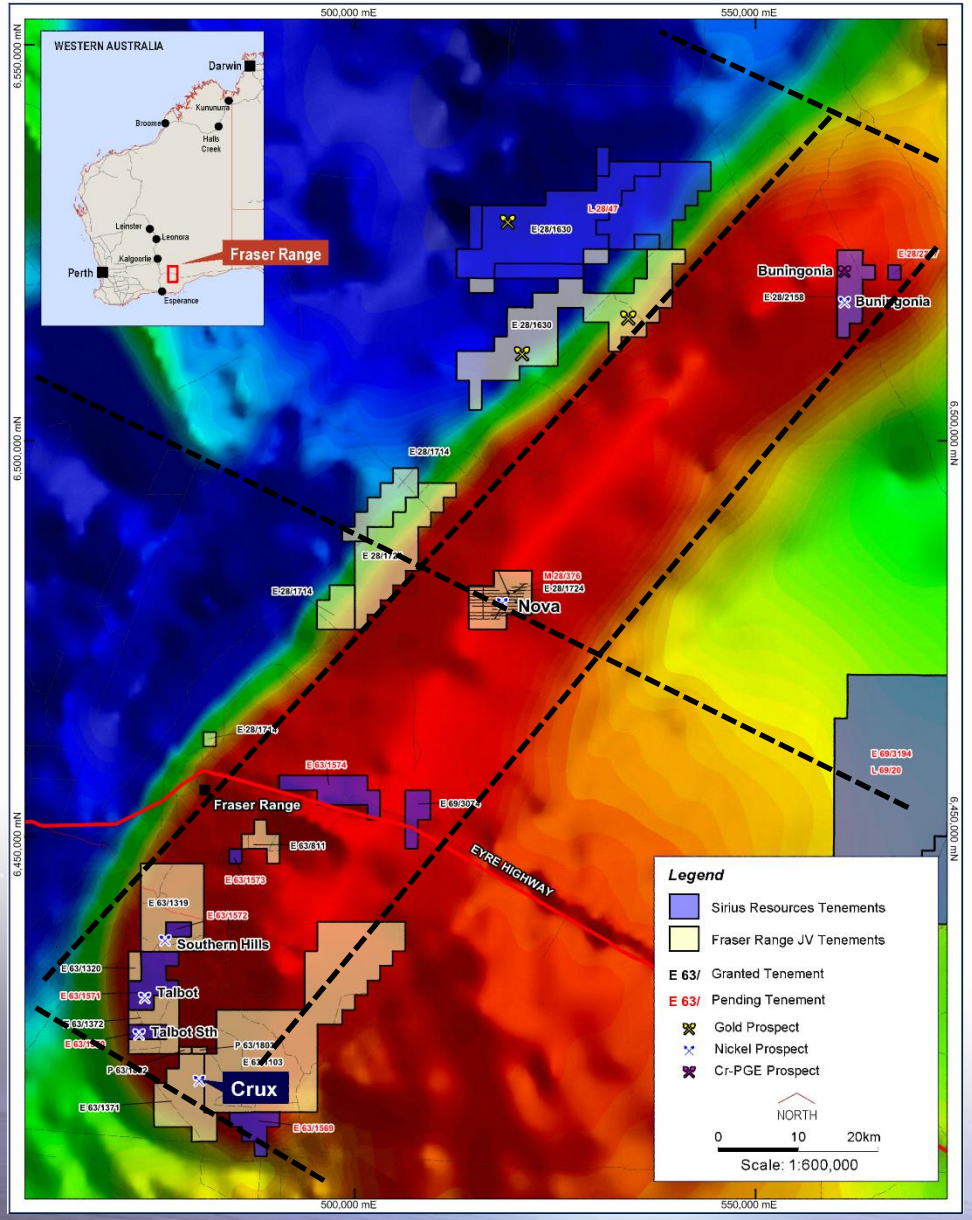
Indicative Transaction Timetable

Transaction Milestone	Date*
Announcement of Transaction	14 Feb 2014
Independent Expert Report finalised	Early April 2014
Notice of Meeting to approve acquisition despatched to shareholders	Mid April 2014
Shareholder meeting to approve acquisition	Mid May 2014
Share consideration allotted to Ponton	Mid May 2014
Cash consideration paid to Ponton	Mid May 2014

** Timetable is indicative only and is subject to change without notice*


Exploration and growth pipeline

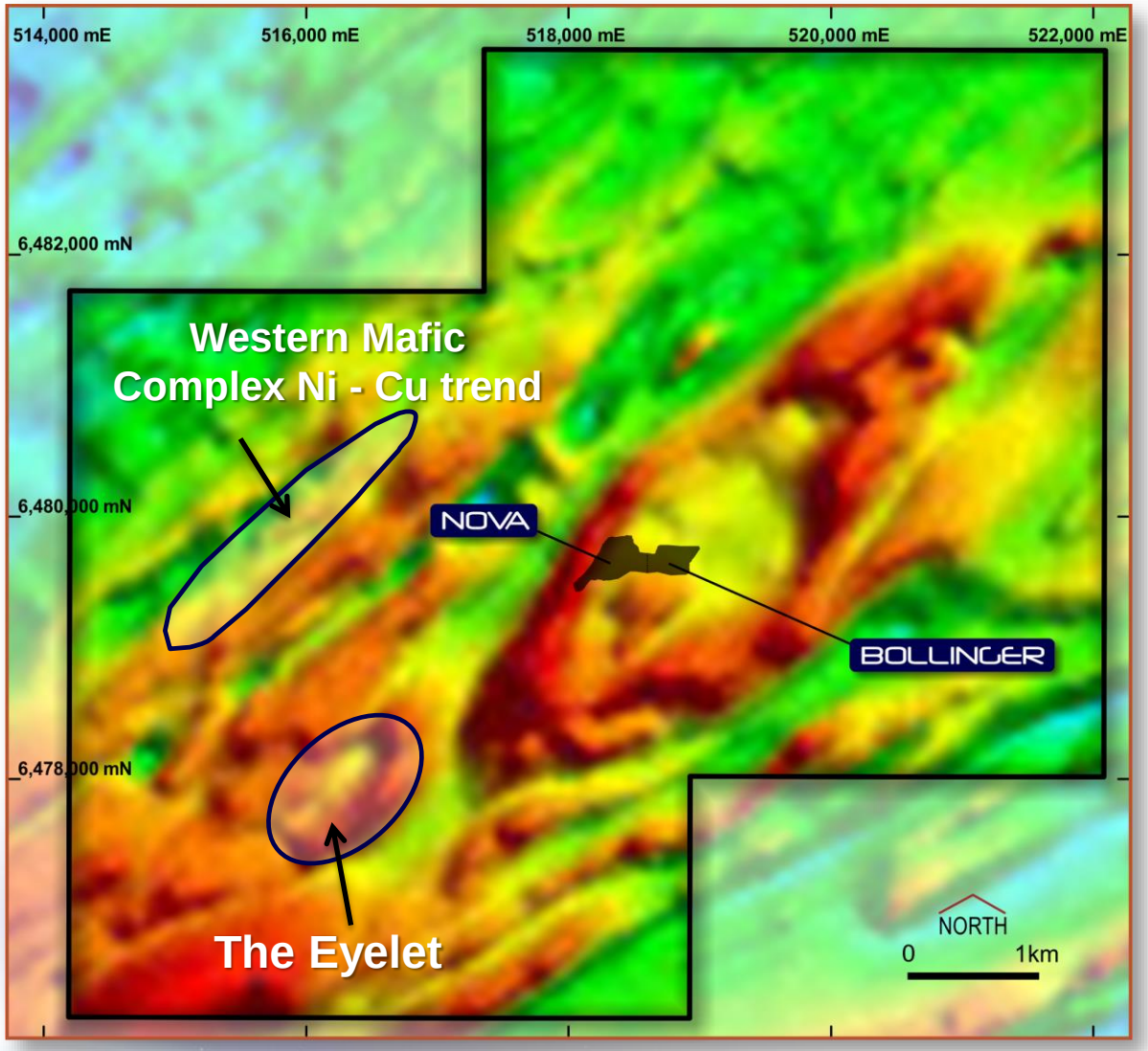
Fraser Range project



- Sirius controls key prospect areas in the Fraser Range belt
- The NE-SW trending red zone is a gravity anomaly that represents a slice of dense nickel-fertile deep crust uplifted to the earth's surface
- Nova nickel deposit and Buningonia, Crux and Centauri nickel prospects are all located in prime position on the spine of this gravity ridge
- Also gold prospective ground in the strike extension of the Tropicana gold belt
- FRJV (70%) plus 100% Sirius ground

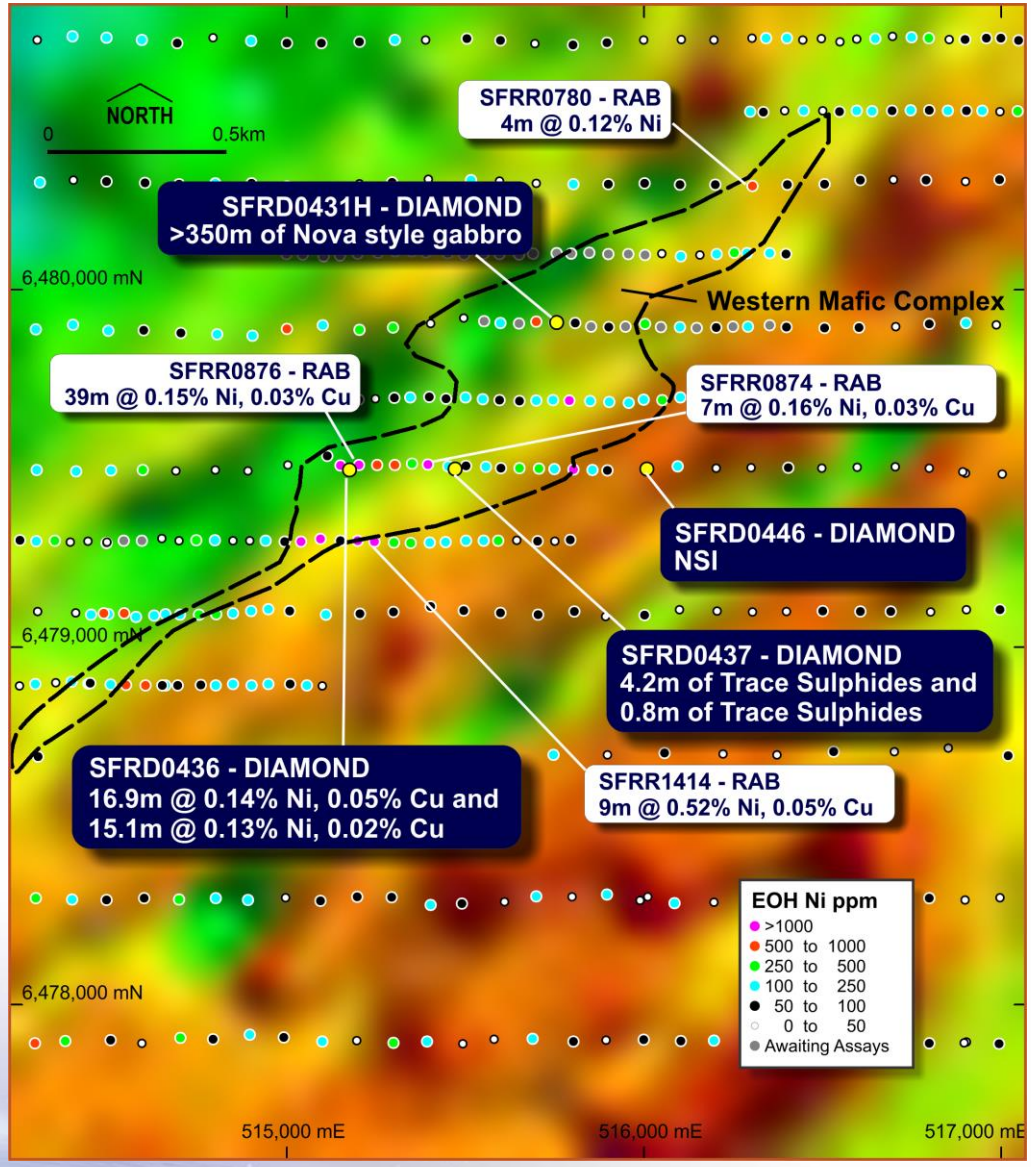
Near Nova nickel sulphide targets

- All within Mining Lease application area and adjacent to proposed plant site
- 100% owned by SIR (subject to shareholder approval)
- The “Eyelet” – Nova rocks, yet to be drilled
- Western Mafic Complex – elevated Ni-Cu in RAB drilling, now **nickel sulphides intersected in first diamond drill hole** drilled outside the Eye



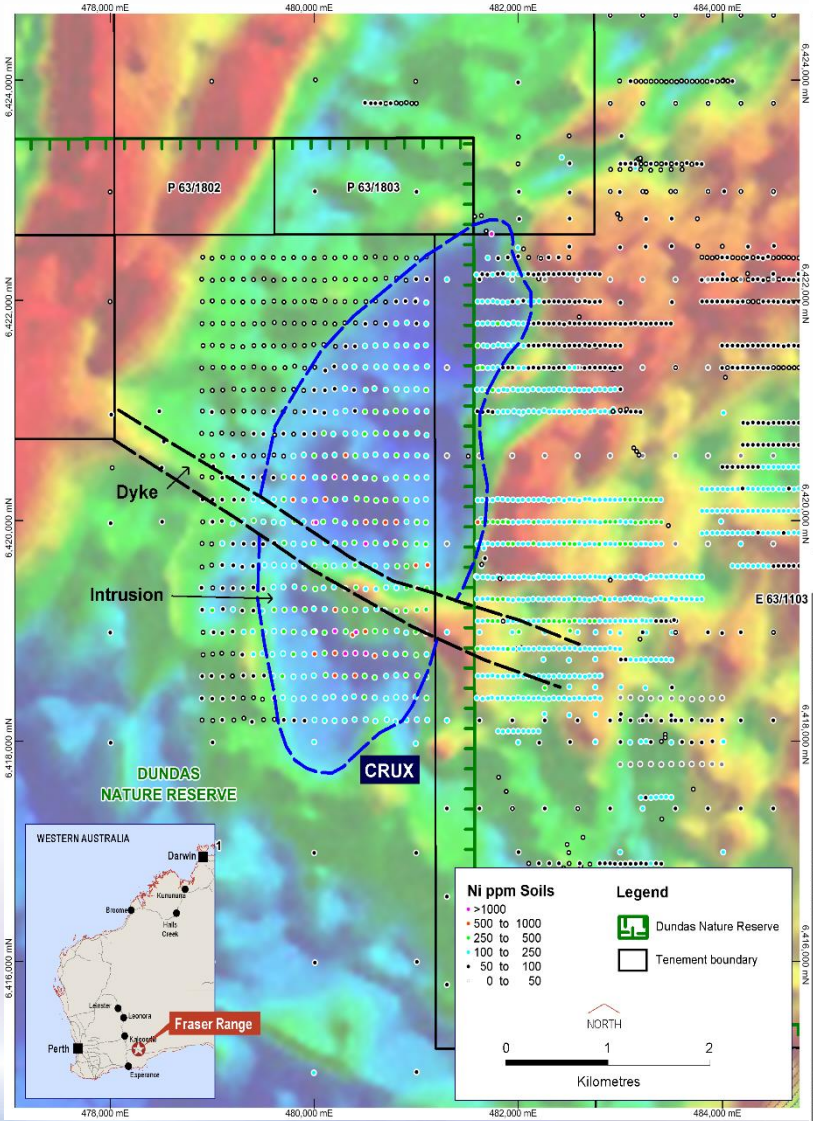
Western Mafic Complex nickel sulphides

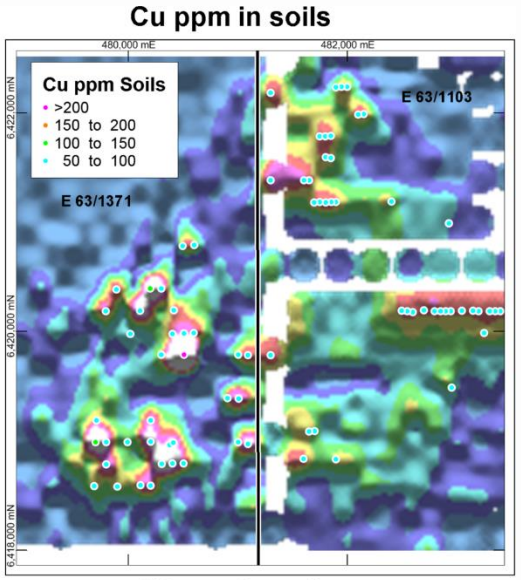
- Anomalous Ni- Cu in sterilisation RAB drilling
- 4km long trend of elevated Ni-Cu parallel to the “Eye”
- First diamond hole drilled (SFRD0436) intersects Nova-style picrites with disseminated Ni-Cu sulphides
- Follow up holes hit similar rocks
- Near surface reconnaissance drilling extends strike of Ni-Cu enriched zone
- Drilling to recommence soon

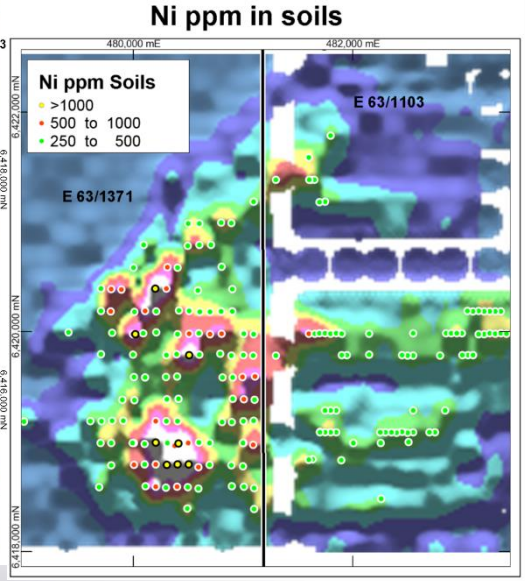


Crux - the best soil anomaly since Nova

- Interpreted 5km x 2km intrusion
- Strongly anomalous Ni, Cu, Co in soil sampling
- Ni, Cu, Co levels comparable with the Nova anomaly
- Strongest soil anomaly since Nova
- EM survey planned

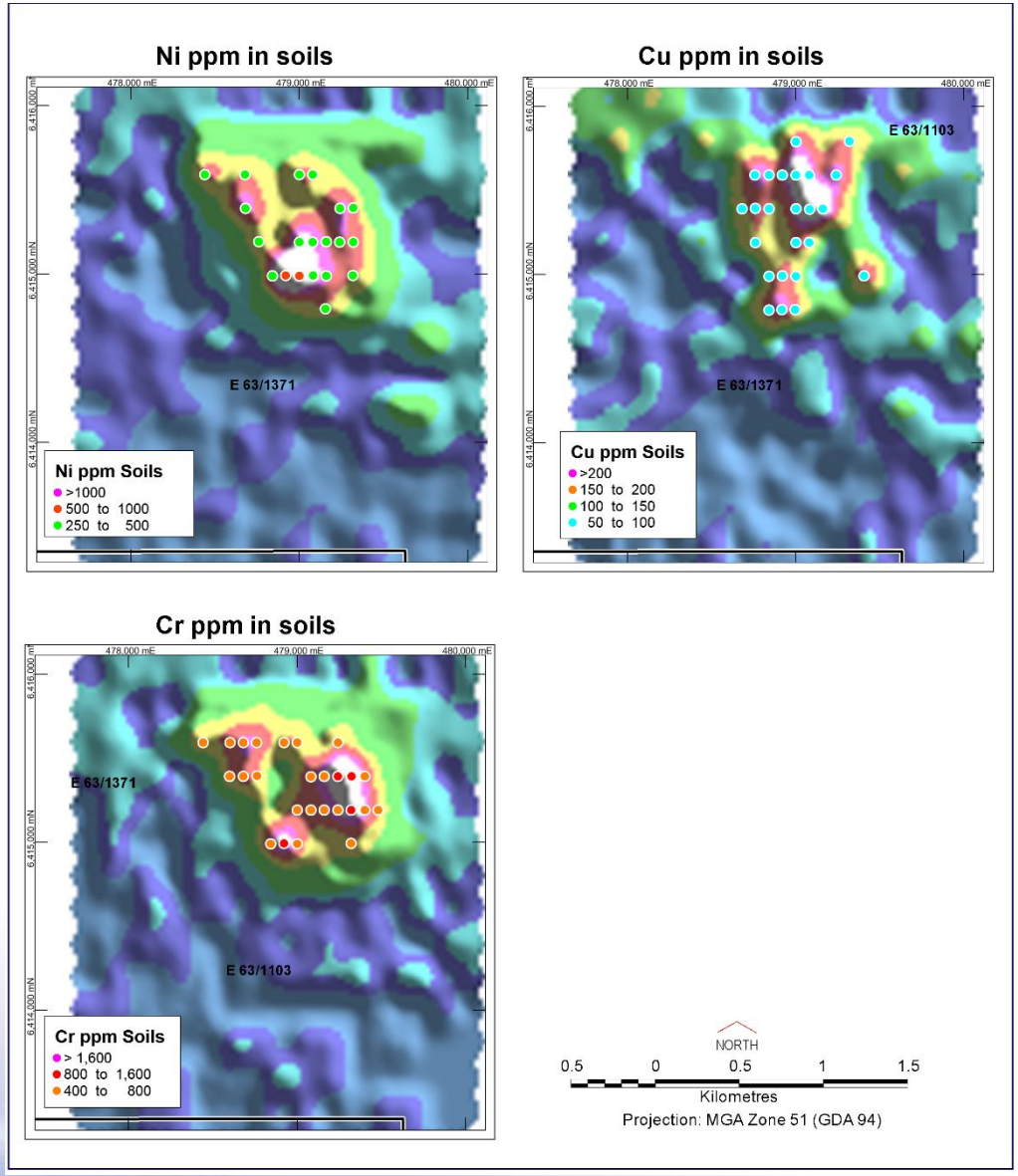






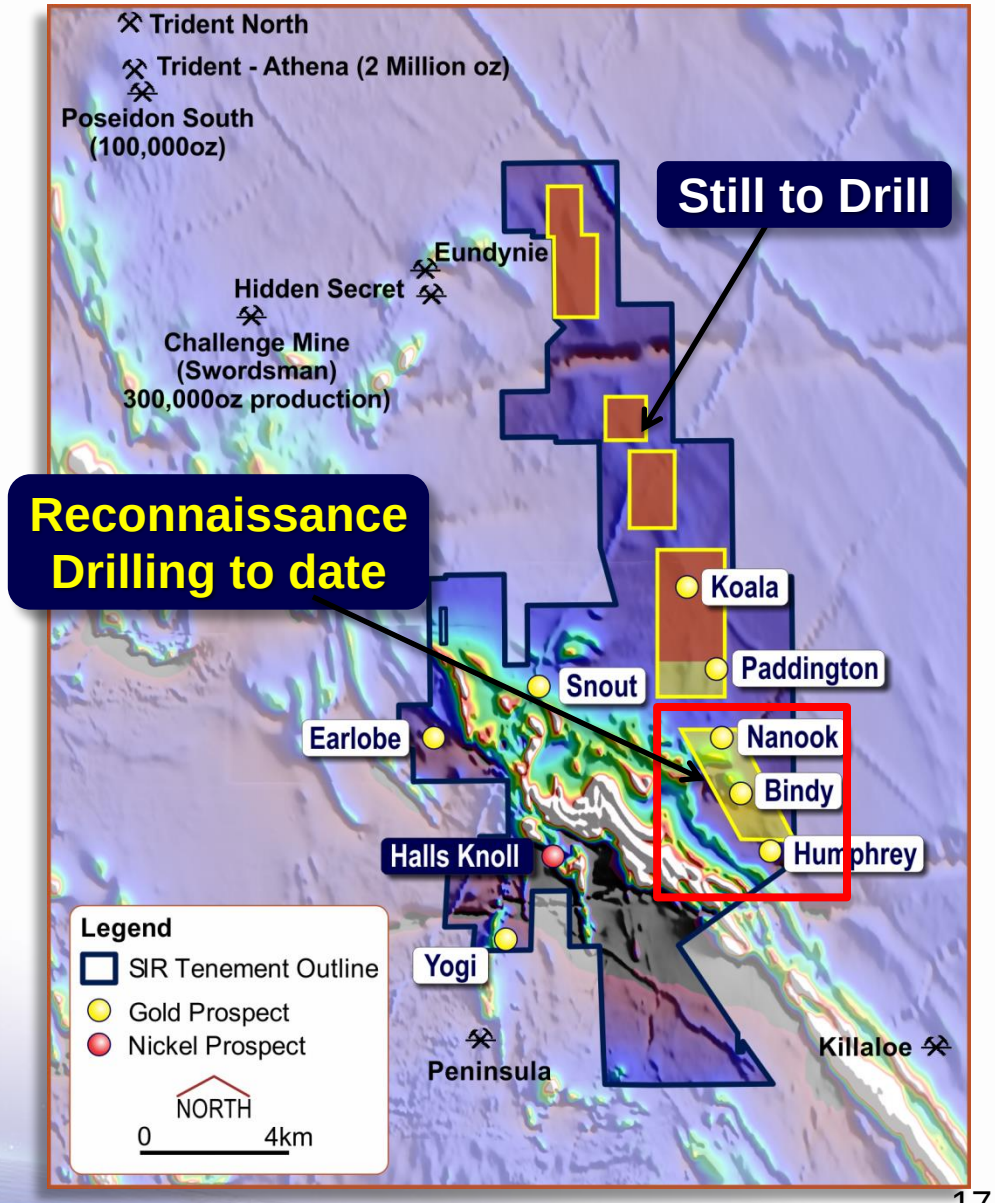
…and now Centauri…

- Another strong soil geochemical anomaly
- Approximately 1km wide
- Follow up prospecting has located an **outcrop of gossanous rock grading over 0.5% nickel and 0.1% copper**
- Located 3km south of the Crux soil anomaly
- EM geophysics planned
- Priority drill target



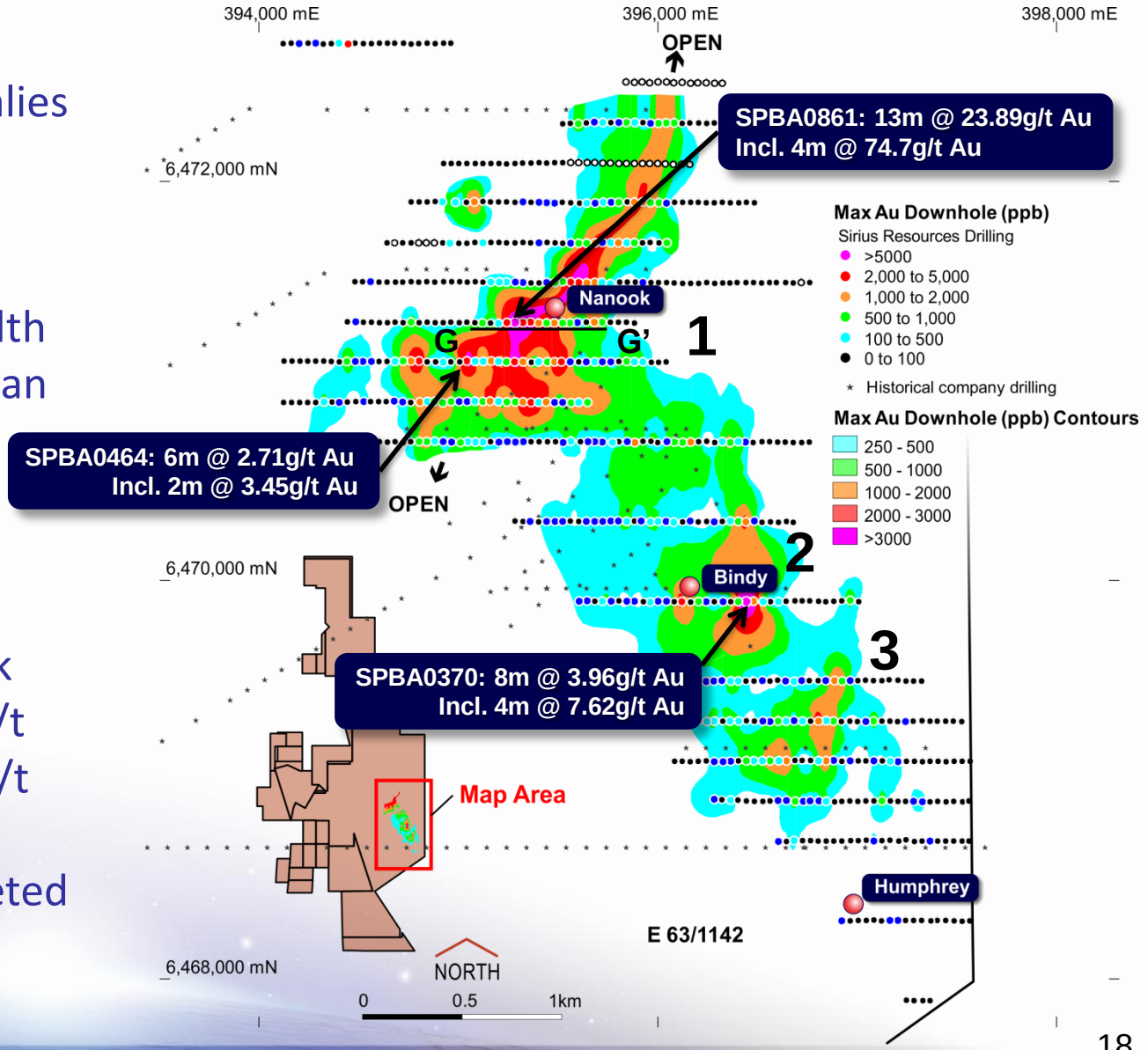
Gold and nickel targets at Polar Bear (100% SIR)

- 400 aircore holes drilled in 2013
- 3 significant new gold anomalies identified
- 4 further target areas still to test
- 15 km strike of prospective stratigraphy
- 25 million ounces of gold within a 30km radius (St Ives, Norseman, Higginsville)
- Extensive belt of Kambalda ultramafic rocks – with gossans and primary nickel sulphides at Halls Knoll



Polar Bear supergene gold anomalies

- Three significant new supergene gold anomalies
- Northern anomaly ("Nanook") has strike extent >1.5km and width of >400m at greater than 1g/t gold
- Open to northeast
- Highly anomalous peak values - 13m @ 23.9 g/t including 4m @ 74.7 g/t
- Further drilling completed



The big picture - timing is everything

- Now is a **BAD** time to be an Australian nickel producer:
  - Low nickel price, large stockpiles, unfavourable exchange rate
  - No short term recovery anticipated
  - But >40% of global nickel production is loss making – unsustainable
- Now is a **GREAT** time to start development of a long life, low cost nickel sulphide mine:
  - Closure of unprofitable mines will shrink supply
  - Stockpiles will decrease and prices will go up
  - Even less nickel sulphide production to feed ever more hungry smelters
  - Dwindling of supply and increasing cost of high grade DSO nickel laterite to feed the Chinese pig nickel iron producers will increase the ceiling price

STRATEGIC ASSET, STRATEGIC PRODUCT, STRATEGIC PROVINCE

Conclusions

- Discovered nickel and copper at a rapid rate (325kt Ni and 134kt Cu in 12 months) and at an extremely low cost (**A$0.04/lb**)
- **Robust scoping study completed** - DFS targeted for completion by mid-2014
- Developing a **globally significant** and **financially robust** nickel-copper project in a **stable mining-friendly jurisdiction**
- **Low cost nickel producer** with cash costs in the lowest quartile globally
- **10th-14th largest nickel producer in the world** with 28,000t Ni, 11,000t Cu and 940t Co in concentrate per annum
- **The team** to create an outstanding mine which will fund further discoveries, drive further growth and deliver further value to shareholders – operations team led by **Rob Dennis**
- **Deal to take ownership to 100%** with Mark Creasy retaining a 30% interest in the broader JV and becoming a 35% shareholder (subject to shareholder approval)
- **Significant further exploration potential** – targets waiting to be drilled at the Western Mafic Complex (nickel sulphides in Nova-style rocks), Crux and Centauri (best soil anomalies since Nova), plus gold and nickel hits at Polar Bear
- **We aim to continue to create significant value by being Australia's lowest cost and most profitable nickel producer and replicating our exploration success with the discovery of more base and precious metal mines**